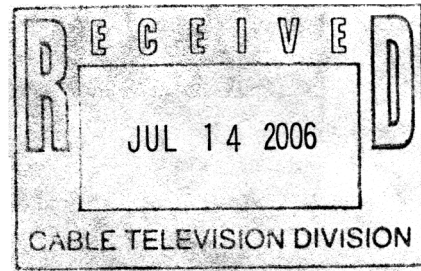


MASSACHUSETTS



July 12, 2006

Judith Judson, Chair
Department of Telecommunications & Energy
One South Station
Boston, MA 02111

Dear Chairwoman Judson:

On behalf of the 11,000 Massachusetts small business members of the National Federation of Independent Businesses (NFIB), I urge the Department of Telecommunications and Energy (DTE) endorse streamlining the franchising process for new cable entrants so that small businesses can realize the important competitive benefits of broadband technology deployment sooner rather than later.

NFIB believes that the municipal franchise system has outlived its usefulness as an instrument of public policy. It is an inherently slow and expensive system that should be replaced with a quicker process for approving new market entrants. The current municipal monopoly system results in Massachusetts citizens paying more for cable television than is necessary or equitable while at the same time denying them access to significant technological advances – paying more for less! Increased competition in this market would drive lower cable rates for our consumers and improved services.

The increased investment in broadband infrastructure throughout the Commonwealth resulting from more competition is necessary to keep Massachusetts competitive in the global economy, especially in a small business state like Massachusetts with 200,000 small and independent businesses. Small businesses are even more reliant on technology than their larger counterparts to create a level playing field on which to compete. The economic benefits of increased investment here would be far-reaching, resulting in new jobs, new growth, and a stronger state economy, as a result of the increased competitiveness of entrepreneurs and small businesses. In fact, the Internet Innovation Alliance projects Massachusetts would gain more than 2,900 jobs with expanded cable competition. ("The Cabling of America: Job Growth in Cable TV and Video Services" by Stephen B. Pociask, May 25, 2006)

The United States has fallen to 16th place globally in the deployment of broadband technology. While the DTE cannot affect national technology deployment, it can and should expedite broadband deployment in Massachusetts by streamlining the franchising process now. The benefits to small businesses of broadband technology are obvious and critical in today's increasingly competitive global marketplace. The negative economic impact on MA small business community from failure to streamline is also significant.

The NFIB urges the DTE to support small businesses in the Commonwealth by streamlining the franchising process for new cable TV market entrants.

Thank you.

Sincerely,

William B. Vernon
MA Director, National Federation of Independent Business

cc: Janice Tatarka, Director of Consumer Affairs and Business Regulation
Commissioner James Connelly
Commissioner W. Robert Keating
Commissioner Brian Paul Golden
✓ Alicia Matthews, Cable Division